

**CALIFORNIA PARTICIPATING ADDENDUM
AMENDMENT #1
WESTERN STATES CONTRACTING ALLIANCE
INDUSTRIAL SUPPLIES AND EQUIPMENT
W.W. GRAINGER, INC.
GRAINGER INDUSTRIAL SUPPLY DIVISION
MASTER PRICE AGREEMENT
6416**

1. **Scope is modified as follows: This Participating Addendum covers purchases of Industrial Supplies and Equipment, Janitorial Supplies and Equipment, Light Fixtures, Lighting, Safety and Security Supplies. All eligible purchasers within this government or education entity empowered to expend public funds are authorized to purchase products under the terms and conditions of this Price Agreement.**
2. **Changes to the terms and conditions of the signed Master Price Agreement are as follows:**
 - A. **Change Grainger Industrial Supply to W. W. Grainger, Inc., Grainger Industrial Supply Division.**
 - B. **Paragraph 7 is modified as follows: The addendum is effective August 18, 2003 through November 30, 2005.**
 - C. **Paragraph 2, (a). Exhibit I, California General Provision. The following changes/additions have been incorporated to the California General Provision, revised Exhibit I dated October 28, 2004 attached:**
 - 1.) **California General Provision No. 14, Forced, Convict and Indentured Labor has been renamed to read Sweatfree Code of Conduct, and has been revised.**
 - 2.) **The following four provisions have been added to the California General Provisions:**
 19. **Electronic Waste Recycling Act of 2003**
 20. **Use Tax Collection**
 21. **Expatriate Corporations**
 22. **Domestic Partners**
 - D. **Paragraph 8 is added as follows: The State may terminate this contract at any time upon one-month prior written notice. Upon termination or other expiration of this contract, each party will assist the other party in orderly termination of the contract and the transfer of all assets, tangible and intangible, as may facilitate the orderly, nondisrupted business continuation of each party. This provision shall not relieve the contractor of the obligation to perform under any purchase order or other similar ordering document executed prior to the termination becoming effective.**
 - E. **Paragraph 9 is added as follows: At the State's sole option, the Department of General Services, (DGS) reserves the right to invoke negotiations pursuant to Public Contract Code Section 6611.**

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INDUSTRIAL SUPPLIES AND EQUIPMENT
W.W. GRAINGER, INC.
GRAINGER INDUSTRIAL SUPPLY DIVISION
MASTER PRICE AGREEMENT
6416**

F Paragraph 3 is modified as follows:

Primary Contact: The primary state government contact for this participating addendum is as follows:

**Hiroko Kurosawa
Multiple Award Program
707 3rd Street, 2nd Floor
West Sacramento, CA 95605
(916) 375-4382 (voice)
(916) 375-4663 (fax)
hiroko.kurosawa@dgs.ca.gov**

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

State of California: **GENERAL SERVICES**
LEGAL SERVICES *h m.*

By: *Rita Hamilton*

Name: Rita Hamilton

Title: Deputy Director

Date: *11/30/04*

W. W. Grainger, Inc.
Grainger Industrial Supply Division:

By: *Doug D'Alessio*

Name: Doug D'Alessio

Title: Senior Government Sales Manager

Date: *11-16-04*

**CALIFORNIA PARTICIPATING ADDENDUM
WESTERN STATES CONTRACTING ALLIANCE
INDUSTRIAL SUPPLIES AND EQUIPMENT
GRAINGER INDUSTRIAL SUPPLY
MASTER PRICE AGREEMENT
6416**

1. **Scope :** This Participating Addendum covers purchases of Industrial Supplies and Equipment, Janitorial Supplies and Equipment, Light Fixtures, Lighting, Safety and Security Supplies. All eligible purchasers within this government or education entity empowered to expend public funds (State of California, including its authorized employees and representatives) are authorized to purchase products under the terms and conditions of this Price Agreement.
2. Changes: Changes to the terms and conditions of the signed Master Price Agreement are as follows:
 - a. The attached Exhibit I with paragraphs 1 through 18 of the California General Provisions (CAGP) for Western States Contracting Alliance, Grainger Industrial Supply, become a part of this Participating Addendum.
 - b. Page 6, Paragraph 4.6 is hereby deleted; Paragraphs 3 and 4 of CAGP are substituted therefore.
 - c. Page 8, Paragraph 4.7.f is modified with the addition of the following: Contractor certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this contract for the acquisition, operation or maintenance of computer software in violation of copyright laws.
 - d. Page 13, Paragraph K is modified with the addition of the following paragraph:

Reporting:
The bidder shall submit the following management reports to the State's Contract Administrator. Reports shall be provided in electronic format and, if requested, in hard copy form. All electronic reports must be submitted in Microsoft Excel format. The report shall identify orders placed using CAL-Card as the payment method.

 1. Sales broken down by agency billing code (ordering organization) and by consignee location (each delivery point per billing code) including the information specified below. Reports will be submitted only upon request, no sooner than the fifteenth calendar day of the following month.
 - Line Item Fill Rate
 - Average Days to Ship
 - Dollar Value of Order
 - Year-to-Date Dollar Value
 - Subtotal for Each Account Number
 - Grand Total of All Account Numbers
 2. Summary, with a year-to-date total, including the information specified below. Reports will be submitted only upon request, no later than the fifteenth calendar day of the following month.
 - Order Line Fill Rate
 - Average Days to Ship Orders
 - Average Days to Ship Backorders
 - Number of Orders
 - Number of Order Lines

- Number of Lines Filled
 - Number of Backorder Lines Created
 - Average Number of Lines per Order
 - Average Order Size in Dollar Values
 - Number of Returns
 - Damaged and Defective Products
 - Customer Returns
 - Year-to-Date Total Returns/Dollars
 - Total Purchases (Dollar Value):
 - Monthly
 - Year-to-Date
 - State's Outstanding Payments by Account Number, Name, and Telephone Number of Person Responsible for Payment:
 - 1-30 Days
 - 31-60 Days
 - 61-90 Days
 - 91+ Days
3. Statewide sales by product number, including the information specified below. Reports will be submitted monthly, by the fifteenth calendar day of the following month.
- Product Number
 - Product Description
 - Manufacturer Name
 - Quantity Ordered
 - Quantity Shipped
 - Unit Price
 - Total Spent
 - Year-to-Date Quantity Shipped
 - Year-to-Date Spent
 - Year-to-Date Frequency of Order
 - Total Number of Active Accounts for Each Month
4. Reports on the following supplier classifications: California-certified small business enterprises and California-certified disabled-veteran business enterprises. The reports will include the following information, by ordering organization, to be summarized by billing code. Reports will be submitted monthly or quarterly, as requested, by the last day of the following month.
- Product Number
 - Product Description
 - Vendor
 - Quantity Shipped
 - Net Price per Unit
 - Product Total
 - Year-to-Date Quantity Shipped
 - Year-to-Date Product Value
 - Year-to-Date Times Ordered
5. Usage reports showing all recycled products purchased, including percentage of recycled content and, where appropriate, broken down

into post-consumer and secondary waste. Include ordering organization identification. The recycled products usage report shall be provided broken down by item, then broken down again by agency and agency billing code. The reports will be submitted semi-annually, by the last day of January and by the last day of July. These reports may be requested by individual agencies or the State's Contract Administrator at any time.

6. A monthly contract status report shall be delivered to the State's Contract Administrator by the fifteenth calendar day of the following month. Topics to be covered in this report would include, but is not limited to, problems or questions that required more than five working days to resolve, product changes, anticipated problems, etc.
7. Custom reports the State's Contract Administrator or ordering organizations (with the concurrence of the State's Contract Administrator) may request from time to time. Contractor shall describe additional management reports available, as well as furnish copies or samples of current management reports. Contractor shall indicate the flexibility of the reporting system and the ease of changing both format and components tracked.

e. Attachment A is not applicable.

3. Primary Contact: The primary state government contact for this participating addendum is as follows:

Pam Mizukami
Department of General Services
Procurement Division
Contract Negotiations Section
707 Third Street, 2nd Floor, West Sacramento, CA 95605
(916) 375-4430
(916) 375-4505 (fax)
pam.mizukami@dgs.ca.gov

4. Price Agreement Number: The price agreement number for the Participating State is 6416. This participating addendum and the WSCA Master Price Agreement, Number 6416, (administered by the State of Nevada) together with its exhibits, set forth the entire agreement between the parties with respect to the subject matter of all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof. Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Addendum and the Master Price Agreement, together with its exhibits, shall not be added to or incorporated into this Addendum or the Price Agreement and its exhibits, by any subsequent purchase order or otherwise, and any such attempts to add or incorporate such terms and conditions are hereby rejected. The terms and conditions of this Addendum and the Price Agreement and its exhibits shall prevail and govern in the case of any such inconsistent or additional terms.
5. Current Price List: The Contractor's Web Site for the current price list is www.grainger.com
6. Administrative Fees: An administrative fee equal to 1% of gross sales less freight, taxes, returned product, and credits ("Net Sales") to state agencies and political subdivisions under this contract shall be remitted to the Department of General Services, Procurement Division, attn: WSCA State Administrator, 707 3rd Street – 2nd Floor, West Sacramento, CA 95605. The administrative fee shall be remitted quarterly to the California primary contact with a report of the quarterly contract sales. These reports will forty-five (45) days after the close of the calendar quarter.

7. Effective Dates: This addendum is effective starting on August 18, 2003 through November 30, 2004 with the option to extend for one additional one year term and will continue until the Termination Date of the Master Price Agreement, unless terminated early in accordance with the terms and conditions of the Master Price Agreement.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

State of California:

Grainger Industrial Supply:

By: _____

By: _____

RUSS GUARNA

Name: _____

ACQUISITIONS BRANCH MANAGER

Title: _____

Date: _____

Date: _____